



April 10, 2020

GCT New York LP ("GCT")  
300 Western Avenue  
Staten Island, New York 10303  
Email: [jatkins@globalterminals.com](mailto:jatkins@globalterminals.com),

Dear John,

We refer to the Terminal Services Agreement dated as of June 22, 2015 between GCT and Maersk Agency U.S.A. as agent for Maersk A/S ("Maersk Line") (successor to Maersk Line A/S (the "TSA"), as amended from time to time, including by the Second Amendment dated November 19, 2018 (the "2<sup>nd</sup> Amendment"). Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the TSA.

We write to inform you that Maersk Line hereby exercises its termination rights under the TSA and that all Maersk Line-operated vessels (including those Sealand and Hamburg Sud services currently calling at GCT) will cease to call GCT no later than May 1, 2020.

Under Section 11 of the 2<sup>nd</sup> Amendment, Maersk Line is required to "pay a termination fee equal to the total amount of all volume credits issued by the Operator pursuant to Section 8 of this Amendment in respect of all Contract Years" in connection with its termination of the TSA under that provision. In that provision, the Parties have already agreed that such termination fee constitutes a genuine pre-estimate of GCT's damages in the event of termination of the TSA by Maersk Line at the commencement of the last year of the TSA. We believe that the Parties' agreement to Section 11's termination fee formula is equally applicable to properly compensate GCT for any earlier termination of the TSA, particularly in light of GCT's waiver of any rights to any loss of profits, loss of revenue and any consequential or indirect damages in connection with any departure of Maersk Line from GCT.

Accordingly, pursuant to Section 11(b) of the 2<sup>nd</sup> Amendment, Maersk Line requests that GCT submit to Maersk Line an invoice associated with Maersk Line's termination, which Maersk Line shall pay in four equal installments as set out in Section 11 of the 2<sup>nd</sup> Amendment. Based on our calculations, the volume credit issued for 2019 was \$1,146,072 and we project that the volume credit that would have been issued for 2020 would have been \$922,752 (which we believe to be a generous estimate given the uncertainty related to COVID-19). As a result, we believe a reasonable calculation of the Termination Fee is \$2,068,824. Because the Termination Fee is a genuine pre-estimate of damages associated with one year of cancelled vessel calls, and Maersk Line's vessel calls will cease as of May 1, 2020, we are willing to offer an additional \$3,448,040 in consideration of Maersk Line's exit from GCT and in full and final settlement and satisfaction of all obligations associated with the departure. This is an offer of settlement made in good faith and Maersk Line reserves all rights and waives none should GCT reject this offer.

We thank you for your past services and your assistance in a smooth transition.

Very truly yours,

Balaji Salem /s/  
Terminal Procurement  
Maersk

Cc: [generalcounsel@globalterminals.com](mailto:generalcounsel@globalterminals.com)

Peter W. Jabbour, Esq.